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NIKKEI (Page 2) (Abridged slightly)
September 18, 2007

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Prime Minister Shinzo Abe, who has been hospitalized at Keio University Hospital in Shinanomachi, Tokyo, has decided to postpone plans to resume his official duties today because his condition has not changed, a source close to the prime minister revealed yesterday.

Although he was initially expected to leave the hospital on September 17, the prime minister has decided to stay away from the cabinet meeting today in compliance with his doctors' advice to stay in the hospital this week.

According to the source, the prime minister has been on an intravenous drip and has rarely read newspapers or watched television. Since his hospitalization, the prime minister has been performing his duties, such as making final decision on matters, in his hospital room without appointing an acting prime minister. Reportedly he is going to follow this approach this week.

Prime Minister Abe underwent a physical checkup at the hospital on September 13 and was diagnosed as suffering from a gastrointestinal disorder that required a minimum three to four days of hospitalization.

- 4) Poll: Supported by 213 Lower House lawmakers, Fukuda likely to achieve overwhelming victory in LDP presidential race

YOMIURI (Top play) (Excerpt)
September 17, 2007

The Yomiuri Shimbun conducted an opinion survey of the 387 Liberal Democratic Party lawmakers regarding the September 23 LDP presidential election. As a result, 213 LDP lawmakers expressed support for former Chief Cabinet Secretary Yasuo Fukuda, whereas only 45 members said they would back Secretary General Taro Aso. In a telephone-based nationwide survey conducted on September 15-16 as well, 61 PERCENT of respondents picked Fukuda as suitable for the LDP presidency. With Fukuda expected to dominate the 114 prefectural chapter votes, he has the momentum to secure a 265-vote majority with ease.

- 5) Poll: Fukuda scores 53 PERCENT in popularity rating for next premiership, Aso at 21 PERCENT

ASAHI (Page 1) (Abridged)
September 17, 2007

With the ruling Liberal Democratic Party's presidential election having kicked off, the Asahi Shimbun conducted a telephone-based spot nationwide public opinion survey from the afternoon of Sept. 15 through yesterday. In the survey, respondents were asked which candidate between former Chief Cabinet Secretary Yasuo Fukuda and LDP Secretary General Taro Aso they thought would be appropriate for the next prime minister. In response to this question, 53 PERCENT

picked Fukuda, with 21 PERCENT opting for Aso. Among LDP supporters, Fukuda stood at 56 PERCENT , with Aso at 27 PERCENT . Respondents were also asked what type they thought would be better for the next prime minister. To this question, a total of 62 PERCENT chose a "cooperative" type, with 31 PERCENT preferring a "decisive" type. As seen from these figures, the public wants a leader differing from former Prime Minister Koizumi, who was a decisive type, and his successor, Prime Minister Abe. This mindset seems to back up Fukuda in popularity.

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Respondents were also asked if they were interested in the LDP presidential race. In response, 69 PERCENT answered "yes." In September last year, Prime Minister Abe won a landslide victory in the party race. At that time, "yes" accounted for 63 PERCENT . In April 2001, when former Prime Minister Koizumi was elected LDP president for the first time, "yes" totaled 64 PERCENT .

Those who picked Fukuda were further asked to pick one from among three given reasons. In response, 62 PERCENT picked "he's stable," followed by "his policies and principles are good" respectively at 17 PERCENT . Among those who picked Aso, "policies and principles" accounted for 36 PERCENT , followed by his "friendly" character at 34 PERCENT and "stable" at 22 PERCENT .

6) Poll: Public support for Fukuda at 58 PERCENT

YOMIURI (Page 1) (Abridged slightly)
September 17, 2007

In a nationwide emergency opinion survey conducted by the Yomiuri Shimbun ahead of the LDP presidential election, 58 PERCENT of respondents indicated that former Chief Cabinet Secretary Yasuo Fukuda was fit for the post, while only 22 PERCENT picked LDP Secretary General Taro Aso. Additionally, the rate of support for

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Fukuda among LDP supporters stood at 61 PERCENT in contrast to 27 PERCENT for Aso. Although the Aso camp pins hopes on prefectural chapter votes to turn around the trend, public support for Fukuda was also higher than for Aso. By gender, support for Fukuda among male respondents stood at 53 PERCENT in contrast to Aso's 27 PERCENT . Fukuda also won support from 62 PERCENT of female respondents against Aso's 18 PERCENT , pronouncing Fukuda's high popularity among female respondents. Fukuda outnumbered Aso in terms of age and area as well. Even in Aso's home turf of Kyushu, support for Fukuda marked 50 PERCENT against 28 PERCENT for Aso.

Asked what takes to become the prime minister (multiple answers acceptable), 89 PERCENT pointed to "leadership" and 86 PERCENT to "accountability to the public."

As seen in the fact that 80 PERCENT of LDP factions already decided to back Factional, moves by factions have been particularly noticeable. However, the faction-centered selection process received negative assessments from 70 PERCENT of respondents, and positive assessments from only 15 PERCENT .

In addition, 58 PERCENT said Prime Minister Abe's resignation was "natural," while 33 PERCENT indicated it was unnecessary.

Further, 51 PERCENT said that the Lower House should be dissolved "as soon as possible" for a snap general election, whereas 41 PERCENT indicated that "there was no need to hurry." In a survey conducted on July 30-31 shortly after the July Upper House election and another one on August 27-28 immediately after the cabinet reshuffle, the answer "as soon as possible" marked only about 40 PERCENT . In the latest survey, "as soon as possible" outnumbered the answer "there is no need to hurry."

7) Poll: 55.9 PERCENT support Fukuda

SANKEI (Page 1) (Abridged)
September 18, 2007

Following up Prime Minister Shinzo Abe's announcement of his resignation, the Sankei Shimbun and Fuji News Network (FNN) conducted a joint public opinion survey from the afternoon of Sept. 15 through Sept. 16, focusing on the ruling Liberal Democratic Party's presidential election. In the survey, respondents were asked which candidate between former Chief Cabinet Secretary Yasuo Fukuda, 71, and LDP Secretary General Taro Aso, 66, they supported. In response to this question, Fukuda stood at 55.9 PERCENT , with Aso at 28.1 PERCENT . In the party race, many of the LDP's lawmakers support Fukuda. The survey also shows a similar trend.

In popularity rating for the next premiership as well, Fukuda topped all others at 27.7 PERCENT , followed by former Prime Minister Junichiro Koizumi at 15.0 PERCENT , Health, Labor and Welfare Minister Yoichi Masuzoe at 13.2 PERCENT , and Ichoro Ozawa, president of the leading opposition Democratic Party of Japan (Minshuto) at 12.2 PERCENT . Aso was in fifth place with 10.3 PERCENT .

In the breakdown of public support for political parties, the LDP stood at 30.5 PERCENT , up 2.3 percentage points from the last survey conducted Aug. 27-28 after the Abe cabinet was shuffled. The DPJ was at 25.9 PERCENT , down 5 points from the last survey. The LDP was lower than the DPJ in two surveys taken after this summer's election for the House of Councillors. In the survey this time, however, the LDP outpaced the DPJ. This is presumably because all eyes are now on the LDP's presidential election.

8) Poll: Fukuda marks 28 PERCENT for next premiership, Aso at 18 PERCENT

TOKYO (Page 1) (Abridged)
September 15, 2007

Along with Prime Minister Shinzo Abe's announcement of his resignation, Kyodo News conducted a telephone-based spot nationwide public opinion survey on Sept. 13-14. In the survey, respondents were asked who they thought would be appropriate as the next prime minister. In response to this question, 28.1 PERCENT picked former Chief Cabinet Secretary Yasuo Fukuda, who topped all others. Liberal Democratic Party Secretary General Taro Aso was in second place with 18.7 PERCENT . Fukuda is now gaining an advantage over Aso with widening support from factions in the LDP.

Respondents were also asked if they thought the Maritime Self-Defense Force's refueling activities in the Indian Ocean under the Antiterrorism Special Measures Law should be extended. In response, 47.9 PERCENT answered "yes," with 42.5 PERCENT saying "no." In the last survey taken Aug. 27-28, negative answers outnumbered affirmative ones.

9) Poll: Half support antiterror law extension

TOKYO (Page 3) (Full)
September 17, 2007

According to a Jiji Press poll released yesterday, opinions for extending the Antiterrorism Special Measures Law, under which Japan has sent a Maritime Self-Defense Force squadron to the Indian Ocean for refueling activities there, totaled nearly 50 PERCENT , broken down into 13.0 PERCENT saying the law should be extended and 36.1

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PERCENT saying it would be unavoidable to extend the law. Meanwhile, opinions against extending the antiterror law totaled 35.3 PERCENT . Prime Minister Shinzo Abe has stressed the need for Japan to continue the MSDF's refueling mission, and the public now seems to show understanding to a certain extent on the prime minister's standpoint.

Among those who are for extending the antiterror law, 36.8 PERCENT said that was because Japan-US relations could worsen if the law was

not extended, topping all other reasons. Among other answers, 35.7 PERCENT said that was because there was a request from the international community, with only 4.8 PERCENT saying that was because they supported the MSDF's activities.

Among those who are against extending the law, 27.8 PERCENT said the MSDF's refueling mission in the Indian Ocean is not based on a United Nations resolution. Among other reasons, 26.1 PERCENT said the MSDF's mission there is questionable under the Constitution, with 18.8 PERCENT saying the government has not disclosed information about the MSDF's activities there and its costs.

10) PSI training set to take place among seven countries in Japanese waters in October

YOMIURI (Page 4) (Full)
September 18, 2007

The government will host a three-day Proliferation Security Initiative (PSI) maritime interdiction drill aimed at the nonproliferation of nuclear weapons and ballistic missiles that will take place from October 13 in the Pacific Ocean, including waters off the Izu Peninsula and the Yokosuka base.

Following the one in 2004 which was also hosted by Japan, the upcoming PSI training will be joined by seven countries, including the United States, Britain, France, and Australia.

Japan plans to dispatch Maritime Self-Defense Force destroyers, P3C patrol planes, AWACS early warning aircraft, and a Ground Self-Defense Force chemical defense unit to take part in the drill to search, pursue, and inspect suspicious vessels.

A senior Defense Ministry official said: "Although the training is not against any specific countries, we naturally have North Korea in mind."

11) Government carefully watching North Korea's moves, with postponement of six-party talks

YOMIURI (Page 4) (Excerpts)
September 18, 2007

It has become difficult to hold the next round of the six-party talks on North Korea's denuclearization set for Sept. 19. The Japanese government speculates that North Korea might be trying to shake the United States and other countries involved in the six-party talks. The government intends to carefully watch what moves the North will make, focusing on whether it will respond to an early resumption of the talks.

A Japanese government source said yesterday regarding the postponement of the talks: "This proves that the agreement reached

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between the US and North Korea has not been pushed ahead smoothly as envisioned by US Assistant Secretary of State Christopher Hill." After the meeting of the US-North working group held in Geneva in early September, Hill announced: "North Korea agreed to declare all of its nuclear programs and disable all of its existing nuclear facilities within the year," but there is still a wide gap in both sides' views on how to implement specific steps. The government official takes the view that this gap led to delaying the talks.

A former cabinet minister of the Liberal Democratic Party said: "North Korea's refusal might be aimed to prevent the process of disabling its nuclear facilities from being forged ahead under the lead of the US without commitment to oil aid to it."

Meanwhile, some government officials view the postponement of the talks favorably, because if the talks were held tomorrow as scheduled, Japan would have to face the talks in the absence of leadership, following Prime Minister Abe's sudden announcement of his resignation and hospitalization.

12) In LDP presidential race, Fukuda expresses resolve to take lead

in settling abduction issue, while Aso insists on need for pressure-oriented approach

YOMIURI (Page 1) (Excerpts)
September 18, 2007

Former Chief Cabinet Secretary Yasuo Fukuda and Secretary General Taro Aso kicked off their campaign for the Liberal Democratic Party presidential election in streets of Osaka and Takamatsu yesterday. In reference to the issue of North Korea's past abductions of Japanese nationals, Fukuda expressed his strong will to resolve the issue, saying: "I would like to take the lead in resolving the issue. I want you to trust and support me." In contrast, Aso emphasized the need for the current pressure-oriented approach toward the North.

Referring in a speech in Osaka to the fact that five years have passed since the Japan-North Korea Pyongyang Declaration was signed on Sept. 17 2002, Fukuda said: "There are still (the abductees) left behind in North Korea. We must take some measures for them." He thus reiterated his determination to take the initiative in resolving the issue. He also spoke of his eagerness to normalize diplomatic relations with Pyongyang, saying: "We will be able to normalize relations (with North Korea) if the abduction issue is resolve and if North Korea abandons its nuclear and missile programs."

Meanwhile, Aso said: "Although we hear the need for a dialogue all the time, we have never seen negotiations realized without pressure. We must learn from our past experience."

13) Fukuda's emphasis on determination to resolve abduction issue reflects desire to shake off concerns of abduction issue being left behind if he is elected

YOMIURI (Page 4) (Full)
September 18, 2007

In a street-corner speech yesterday for the Liberal Democratic Party presidential election, former Chief Cabinet Secretary Yasuo Fukuda emphasized his strong will to take the lead in resolving the issue of North Korea's past abductions of Japanese nationals. Some

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observers see behind this stance his desire to erase concerns held by some people that Fukuda might leave the abduction issue behind if elected prime minister, because he has shown a readiness to seek dialogue with North Korea. Fukuda, though, has already indicated that he would take a flexible approach in the six-party talks, but Secretary General Aso, his rival in the race, cast doubt on the

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effectiveness of Fukuda's approach.

Fukuda took the initiative as chief cabinet secretary in paving the way for then Prime Minister Koizumi's first visit to North Korea in September 2002. But Fukuda, who prioritized dialogue, often came into conflict with then Deputy Chief Cabinet Secretary Shinzo Abe, now prime minister, who insisted on the need for applying pressure on Pyongyang. In a meeting in Tokyo on Sept. 16, members of the Association of Families of Victims Kidnapped by North Korea called on the next cabinet to continue with the current policy on the abduction issue.

In a press conference on Sept. 15, Fukuda indicated a willingness to switch the current hard-line policy to a flexible approach to dialogue, remarking: "We must find out if there are ways to relay (to North Korea) Japan's intentions and desire for talks." Aso, who served as foreign minister in the Abe administration, has maintained that negotiations will never be held without pressure. It remains to be seen to what extent Fukuda would take a strong approach in dealing with the abduction issue.

14) Fukuda, Aso in sharp contrast in their attitudes toward China

NIKKEI (Page 2) (Excerpts)
September 15, 2007

Yasuo Fukuda and Taro Aso have declared their candidacies for the ruling Liberal Democratic Party's presidential election, but they have yet to announce any specific policy goals they aim for as the top leader of the nation. Nikkei probed into what their policy stances are like, based on their past remarks and behaviors.

Fukuda and Aso are in sharp contrast on the diplomatic front, particularly in relations with China. Fukuda is the eldest son of former Prime Minister Takeo Fukuda, who signed the Japan-China Friendship Treaty. Fukuda's pet argument is: "There would be nothing good Japan can earn from disputes with South Korea and China." In the Koizumi administration days, when Japan-China relations were strained, Chinese Ambassador to Japan Wu Dawei frequently called on Fukuda at his chief cabinet secretary's office and relied on him as a liaison officer with the Koizumi administration.

Aso basically tries to be "impartial" to China. When he served as foreign minister, Aso promoted his concept "Arc of Freedom and Prosperity" as a diplomatic strategy aimed at strengthening relations with rising countries along Eurasia. Many take this concept as aimed at tightening the noose around China.

Yasukuni issue may reignite

In terms of relations with China, which of the two candidates becomes prime minister, the dispute over Yasukuni Shrine is likely to flare again.

When he served as chief cabinet secretary in the Koizumi administration, Fukuda established a panel of experts to discuss

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whether to construct a memorial facility to replace Yasukuni Shrine and the panel put together a report in 2002, in which it said, "The government needs to construct a secular facility it will manage." On the other hand, Aso proposed during last year's presidential election, in which Prime Minister Shinzo Abe won, that the religious corporation Yasukuni Shrine be reorganized into a special public organization that will come under the government's rule.

Fukuda and Aso are both eager to resolve the current situation, namely that if the prime minister visits Yasukuni Shrine, which enshrines the Class-A war criminals, the visit will lead to a diplomatic issue, but there are a number of barriers for them to clear in order to realize their ideas. Whoever will win the race, a prime minister is likely to cause a controversy over the question of whether to earmark a necessary investigative expense in budget compilation slated for the year's end.

15) Fukuda nearly certain to be elected LDP president: Flexible approach to refueling operation; Indicates readiness to make extensive concessions to DPJ

SANKEI (Top Play) (Excerpts)
September 15, 2007

The Liberal Democratic Party (LDP) officially announced its presidential election, following Prime Minister Abe's announcement of his decision to step down. Former Chief Cabinet Secretary Yasuo Fukuda (71) and Secretary General Taro Aso (66) have announced their candidacies. Finance Minister Fukushima Nukaga, who had been indicating his intention to seek presidency, gave up running in the race. All factions, such as the Machimura faction, to which Fukuda belongs, the Tsushima, Koga, Yamasaki, Tanigaki, Nikai and Ibuki factions, with the exception of the Aso faction, announced their support for Fukuda. Fukuda is likely to be elected as the 22nd LDP president in the plenary meeting of LDP members of both chambers of the Diet on Sept. 23. After announcing his candidacy, Fukuda indicated a stance of dealing with the issue of the Maritime Self-Defense Force's (MSDF) refueling operation in the Indian Ocean in a flexible manner in cooperation with the Democratic Party of Japan (DPJ or Minshuto), which is opposing it.

Appearing on commercial TV programs from the evening of Sept. 14 to early hours of Sept. 15, Fukuda noted that regarding MSDF operation

in the Indian Ocean, the key is what talks the party can have with the DPJ. Since options are limited in terms of schedule due to the LDP presidential election, new antiterrorism legislation would be one way of finding a breakthrough.

He also said, "We have no choice but to work with the DPJ in a cooperative manner. . . . I would like to consider the issue in a little more flexible manner." He thus indicated his approach of making extensive concessions, depending on the case, by prioritizing talks with the DPJ, without insisting on the passage of a new law in the current Diet session. This is because the DPJ remains opposed to the continuation of the refueling operation.

Concerning structural reform policy, Fukuda during a meeting with concerned LDP members said, "We must not give up on the reform policy." However, he also pointed out: "Various problems have appeared, casting a pall over the future. Measures to deal with this problem are being questioned." He indicated his perception that a full commitment to the reform policy needs correction.

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16) Outline of speech meeting for LDP presidential election

SANKEI (Page 5) (Excerpts)
September 17, 2007

Taro Aso on MSDF refueling operation

Now I would like to talk about foreign policy. I would like to make three points. First is the Maritime Self-Defense Force's refueling operation in the Indian Ocean. Second is that Japan's diplomacy is now at a historical turning point. Third is a settlement of the abduction issue.

Japan is carrying out the refueling operation in the Indian Ocean for its own sake, in its national interest. We must not forget that 24 Japanese citizens were among the victims of the 9/11 terrorist attacks six years ago.

The Indian Ocean is the starting place for the sea-lanes used to transport oil to Japan. We must not allow terrorists to be at large there. It is not too much to say that Japan's interest is centered on that area. In my view, it is a significant factual error to say that Japan's refueling operation is for the sake of the US.

SDF personnel showed in Iraq that they are superbly disciplined. Japan is making contributions befitting its economic clout. Many countries have understood that. Our country has opened up the horizon for diplomacy. This is the second point.

Japan has become able to implement a policy of helping East European and Balkan nations develop their freedom and prosperity along with European countries. This is due to its activities in the Indian Ocean. It will be possible to further strengthen the Japan-US alliance from this perspective.

17) DPJ alert to Fukuda taking lead in LDP presidential election, as his Yasukuni Shrine policy, Asia diplomacy close to theirs

MAINICHI (Page 5) (Excerpts)
September 18, 2007

The Democratic Party of Japan (DPJ or Minshuto) is increasingly becoming alert to former Chief Cabinet Secretary Yasuo Fukuda holding a commanding lead in the Liberal Democratic Party (LDP) presidential election. Since Fukuda's stance toward Asia diplomacy, starting with the Yasukuni Shrine issue, and security policy, are close to those of the DPJ, some take the view that it would be difficult to attack him, because differences between the DPJ and Fukuda are difficult to see. DPJ Chairman Ozawa's confrontation against Fukuda would simply give the impression that Fukuda is a veteran politician with a sense of stability, the image Ozawa also has. The DPJ will likely find it necessary to consider adopting an approach that would show differences from Fukuda's.

Describing his impression on Fukuda, DPJ Secretary Yukio Hatoyama during a press conference on Sept. 14 used equivocal words, which sounded as if he was encouraging his colleague. He said, "He has once indicated that his thinking was similar to the DPJ's. If he becomes a prime minister, it would be more desirable for the people that a person with a totally different thinking becoming a prime minister." As a matter of fact, many DPJ lawmakers are perplexed by

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Fukuda's candidacy.

Fukuda was critical of former Prime Minister Junichiro Koizumi's visits to Yasukuni Shrine. When he was chief cabinet secretary, his private advisory body proposed constructing a national memorial facility. The DPJ is also critical of the prime minister and cabinet ministers visiting Yasukuni Shrine in their official capacity and has proposed the construction of a national memorial facility. Fukuda formed the bipartisan Group to Consider a National Memorial Facility. Hatoyama served as the vice chairman.

Regarding Asia diplomacy, Fukuda attaches importance to policy toward China. He also has strong personnel ties with Chinese Ambassador to Japan Wang Yi (next vice foreign minister). His stance is almost the same as that of the DPJ, which has criticized the Abe administration's diplomatic policy as slighting Asia and blindly following the US. One mid-ranking official lamented, "It would be much easier to deal with Secretary General Taro Aso, whose diplomatic stance is close to that of Prime Minister Abe."

18) Former secretary Iijima tenders his resignation to former Prime Minister Koizumi apparently in protest to Koizumi's support for Fukuda

SANKEI (Page 5) (Full)
September 15, 2007

It was learned yesterday that former secretary to former Prime Minister Junichiro Koizumi had tendered his resignation as of Sept. 13 to the Koizumi office. According to the office, Iijima said of the reason for his resignation: "I've burned myself out." The office has received his resignation, but it has not officially accepted it.

Iijima and others called on Koizumi to run in a presidential election of the Liberal Democratic Party (LDP) to choose a successor to Prime Minister Shinzo Abe, but Koizumi did not accept their call. In addition, Koizumi indicated he would support former Chief Cabinet Secretary Yasuo Fukuda, with whom Iijima reportedly was on bad

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terms. Some cited these circumstances as the reason for Iijima's submission of his resignation.

In the past, as well, Iijima indicated his intention to resign on such occasions as Koizumi breaking his public pledge to "visit Yasukuni Shrine on Aug. 15." Iijima's move this time spurs all sorts of speculation.

Iijima was the right-hand man of Koizumi serving as his secretary for more than 30 years. He has a broad network of contacts within the political and economic worlds and the mass media. Iijima has received due respect in the political world as "a bigwig secretary, like a cabinet member," an LDP House of Councillors member said.

SCHIEFFER